

70 FR 67662, November 8, 2005

A-533-502
A-583-008
A-549-502
A-489-501
A-351-809
A-201-805
A-580-809
A-583-814
Sunset Reviews
Public Document

DATE: October 31, 2005

MEMORANDUM TO: Joseph A. Spetrini
Acting Assistant Secretary
for Import Administration

FROM: Stephen J. Claeys
Deputy Assistant Secretary
for Import Administration

SUBJECT: Issues and Decision Memorandum for the Final Results of
Expedited Five-Year (Sunset) Reviews of the Antidumping Duty
Orders on Certain Circular Welded Carbon Steel Pipes and Tubes
from India, Taiwan, Thailand, and Turkey; and Certain Circular
Welded Non-Alloy Steel Pipe from Brazil, Republic of Korea,
Mexico, and Taiwan

SUMMARY:

We have analyzed the substantive responses of the domestic interested parties in the second sunset reviews of the antidumping duty orders on certain welded carbon steel pipes and tubes from India, Taiwan, Thailand, and Turkey, and certain circular non-alloy steel pipe from Brazil, Republic of Korea (Korea), Mexico, and Taiwan. We recommend that you approve the positions we have developed in the Discussion of the Issues section of this memorandum. Below is the complete list of the issues in these sunset reviews for which we received substantive responses:

1. Likelihood of continuation or recurrence of dumping
2. Magnitude of the margin likely to prevail

History of the Order

The Department of Commerce (the Department) published in the Federal Register the antidumping duty orders on certain circular welded carbon steel pipes and tubes from India, Taiwan, Thailand, and Turkey, and certain circular welded non-alloy steel pipes from Brazil, Korea, Mexico, and Taiwan. See Antidumping Duty Order; Certain Welded Carbon Steel

Standard Pipes and Tubes from India, 51 FR 17384 (May 12, 1986) (Antidumping Duty Order from India); Certain Circular Carbon Welded Pipes and Tubes from Taiwan; Antidumping Duty Order, 49 FR 19369 (May 7, 1984); Antidumping Duty Order; Circular Welded Carbon Steel Pipes and Tubes from Thailand, 51 FR 8341 (March 11, 1986); Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube Products from Turkey, 51 FR 17784 (May 15, 1986); Antidumping Duty Orders: Certain Welded Non Alloy Steel Pipe from Brazil, Republic of Korea (Korea), and Mexico, and Amendment to Final Determination of Sales at Less than Fair Value; Certain Circular Welded Non Alloy Steel Pipe from Korea, 57 FR 49453 (November 2, 1992); Antidumping Duty Order: Circular Welded Non Alloy Steel Pipe from Taiwan, 57 FR 49454 (November 2, 1992).

On August 9, 2000, the International Trade Commission (ITC) determined, pursuant to 751(c) of the Tariff Act of 1930, as amended (the Act), that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹ As a result, the Department published a notice of the continuation of the antidumping duty orders, pursuant to section 351.218(f)(4) of the Department's regulations. See Continuation of Antidumping Duty Orders; Light-Walled Rectangular Welded Carbon Steel Pipe and Tube From Argentina and Taiwan; Circular Welded Non Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube From India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube From Taiwan, 65 FR 50955 (August 22, 2000) (Continuation of AD Orders).

Since the publication of the continuation notice, the case histories are as follows:

Certain Circular Welded Carbon Steel Pipes and Tubes

India (A-533-502) - There have been no administrative reviews of this order.

¹ See Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, 65 FR 48733 (August 9, 2000) and USITC Publication 3316, Investigation No. 731-TA-409, 532, 271, 533, 534, 132, 410, 536, 253, 252 (Review) (July 2000).

Taiwan (A-583-008)²- The Department has completed three administrative reviews,³ rescinded two administrative reviews,⁴ and initiated a changed circumstances review.⁵ In the first sunset review and subsequent administrative reviews, the Department found continued dumping with margins above *de minimis* levels for Taiwanese producers and exporters of the subject merchandise.

Thailand (A-549-502) - The U.S. Court of International Trade (the Court) affirmed the Department's remand determination of the final results of the antidumping duty administrative review for the period of review, 1995-1996. *Ferro Union, Inc. v. United States*, 74 F.Supp. 2d 1289 (CIT 1999). As a result of the Court's remand, the Department revised the weighted-average dumping margin for Saha Thai to 9.52 percent. The "all others" rate remains at 15.67 percent, the rate established in the investigation. See Certain Welded Carbon Steel Pipes and Tubes From Thailand; Notice of Amended Final Results of Antidumping Duty Administrative Review in Accordance With Final Court Decision, 65 FR 2581 (January 18, 2000). The Department has rescinded one administrative review⁶ and completed three administrative reviews.⁷ Currently, an administrative review is ongoing.⁸

² This particular case is also known as small diameter carbon steel pipes and tubes from Taiwan.

³ Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Final Results of Antidumping Duty Administrative Review, 64 FR 69488 (December 13, 1999); Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Amended Final Results of Antidumping Administrative Review, 65 FR 5310 (February 3, 2000); Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of Antidumping Duty Administrative Review, 65 FR 60613 (October 12, 2000); and Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of Antidumping Duty Administrative Review; 69 FR 58390 (September 30, 2004).

⁴ Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan; Rescission of Antidumping Duty Administrative Review, 66 FR 59558 (November 29, 2001), Circular Welded Carbon Steel Pipe and Tubes from Taiwan: Rescission of Antidumping Duty Administrative Review, 69 FR 51061 (August 17, 2004).

⁵ Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan; Initiation of Antidumping Duty Changed Circumstances Review; 70 FR 17063 (April 4, 2005).

⁶ Certain Welded Carbon Steel Pipes and Tubes from Thailand: Notice of Rescission of Antidumping Duty Administrative Review for the Period March 1, 2003 through February 29, 2004, 69 FR 48454 (August 10, 2004).

⁷ Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review 66 FR 53388 (October 22, 2001); Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review, 65 FR 60910 (October 13, 2000); Certain Welded Carbon Steel Pipes and Tubes from Thailand: Final Results of Antidumping Duty Administrative Review, 69 FR 61649 (October 20, 2004).

⁸ Initiation of Antidumping and Countervailing Duty Administrative Reviews, 70 FR 20862 (April, 22, 2005).

Taiwan (A-583-008) - The Department has completed three administrative reviews,⁹ rescinded two administrative reviews,¹⁰ and initiated a changed circumstances review.¹¹ In the first sunset review and subsequent administrative reviews, the Department found continued dumping with margins above *de minimis* levels for Taiwanese producers and exporters of the subject merchandise.¹²

Turkey (A-489-501) - The Department has rescinded two administrative reviews¹³ and completed one administrative review.¹⁴ In the final results of the completed administrative review, for the period May 1, 2002, through April 30, 2003, the Department determined a weighted-average percentage margin of 1.48 for Borusan Group. The 14.74 percent “all others” rate remains in effect from the investigation. See Certain Welded Carbon Steel Pipe and Tube Products From Turkey: Final Determination of Sales at Less Than Fair Value, 51 FR 13044 (April 17, 1986). Currently, an administrative review is ongoing.¹⁵

Certain Circular Welded Non-Alloy Steel Pipe

Brazil (A-351-809) - There have been no administrative reviews of this order.

⁹ Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Final Results of Antidumping Duty Administrative Review, 64 FR 69488 (December 13, 1999); Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Amended Final Results of Antidumping Administrative Review, 65 FR 5310 (February 3, 2000); Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of Antidumping Duty Administrative Review, 65 FR 60613 (October 12, 2000); and Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Final Results of Antidumping Duty Administrative Review; 69 FR 58390 (September 30, 2004).

¹⁰ Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Rescission of Antidumping Duty Administrative Review, 66 FR 59558 (November 29, 2001), Circular Welded Carbon Steel Pipe and Tubes from Taiwan: Rescission of Antidumping Duty Administrative Review, 69 FR 51061 (August 17, 2004).

¹¹ Certain Circular Welded Carbon Steel Pipes and Tubes From Taiwan: Initiation of Antidumping Duty Changed Circumstances Review; 70 FR 17063 (April 4, 2005).

¹² Final Results of Expedited Sunset Review: Small Diameter Carbon Steel Pipes and Tubes From Taiwan, 64 FR 67873 (December 3, 1999).

¹³ Certain Welded Carbon Steel Pipe and Tube From Turkey: Notice of Recision of Antidumping Duty Administrative Review, 66 FR 37641 (July 19, 2001), and Notice of Rescission of Antidumping Duty Administrative Review, 67 FR 62440 (October 7, 2002).

¹⁴ Antidumping Administrative Review: Certain Welded Carbon Steel Pipe and Tube From Turkey, 69 FR 48843 (August 11, 2004).

¹⁵ The final results of that review are scheduled for issuance on December 5, 2005.

Korea (A-580-809) - The Department rescinded two administrative reviews,¹⁶ completed two changed circumstances reviews,¹⁷ two administrative reviews, and amended an administrative review.¹⁸ In the amended administrative review, published on May 23, 2001, and for the period November 1, 1998, through October 31, 1999, the Department determined the following weighted-average margins for Korea: 2.99 percent for Shinho, 0.95 for SeAH Steel Corporation (formerly Pusan Steel Pipe Co. Ltd.), and 2.53 for Hyundai Pipe Company Ltd. On June 7, 2001, the Department determined that Hyundai Steel Company (HYSCO) is the successor-in-interest to Hyundai Pipe Company, Ltd., and on November 19, 2002, the Department determined that Husteel Company, Ltd. (Husteel) is the successor-in-interest to Shinho Steel Company, Ltd. (Shinho). On June 10, 2004, the Department published the final results of the administrative review, covering the period November 1, 2001, through October 31, 2002, and determined weighted-average margins as follows: 0.84 percent for HYSCO, 1.82 percent for Husteel, and 0.66 percent for SeAH.

Mexico (A-201-805) - The Department rescinded five administrative reviews,¹⁹ and completed three scope rulings and two antidumping duty administrative reviews, and amended an

¹⁶ See Circular Welded Non-Alloy Steel Pipe from the Republic of Korea; Rescission of Antidumping Duty Administrative Review, 66 FR 10987 (February 21, 2001); and Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Rescission of Antidumping Duty Administrative Review, 67 FR 397 (January 3, 2002).

¹⁷ Hyundai Steel Company is the successor-in-interest to Hyundai Pipe Company, Ltd. See Certain Circular Welded Non-Alloy Steel Pipe From the Republic of Korea; Final Results of Changed Circumstances Review, 66 FR 30409 (June 6, 2001). Husteel Company, Ltd. is successor-in-interest to Shinho Steel Company, Ltd. See Certain Circular Welded Non-Alloy Steel Pipe from the Republic of Korea; Final Results of Changed Circumstances Review, 67 FR 69716 (November 19, 2002).

¹⁸ The final results for the administrative review covering the period November 1, 1998, through October 31, 1999, were published in the Federal Register on April 11, 2001. The amended final results for this period of review were published on May 23, 2001. See Circular Welded Non-Alloy Steel Pipe from the Republic of Korea; Amended Final Results of Antidumping Duty Administrative Review, 66 FR 28422 (May 23, 2001).

¹⁹ See Circular Welded Non-Alloy Steel Pipe from Mexico: Rescission of Antidumping Duty Administrative Review, 66 FR 27065 (May 16, 2001); Circular Welded Non-Alloy Steel Pipe from Mexico: Rescission of Antidumping Duty Administrative Review, 67 FR 12965 (March 20, 2002); Circular Welded Non-Alloy Steel Pipe from Mexico: Rescission of Antidumping Duty Administrative Review, 68 FR 11037 (March 7, 2003); Circular Welded Non-Alloy Steel Pipe from Mexico: Rescission of Antidumping Duty Administrative Review, 69 FR 4107 (January 28, 2004); and Circular Welded Non-Alloy Steel Pipe from Mexico: Rescission of Antidumping Duty Administrative Review, 70 FR 9920 (March 1, 2005).

administrative review.²⁰ On February 8, 2000, the Department determined that Hylsa S.A. de C.V.'s (Hylsa's) weighted- average margin for the period April 28, 1992, through October 31, 1993, was 32.62 percent, and Hylsa's margin for the November 1, 1993, through October 31, 1994, period of review was 7.17 percent. On July 18, 2001, the Department published its amended final results for the November 1, 1998, through October 31, 1999, period of review, where it determined that the weighted-average margin for Tuberia Nacional S.A. de S.A. de C.V. was 2.92 percent.²¹

Taiwan (A-583-814) - There have been no administrative reviews of this order.

Background

On July 1, 2005, the Department initiated the second sunset review of the antidumping duty orders on certain welded carbon steel pipes and tubes from India, Taiwan, Thailand, and Turkey, and certain circular non-alloy steel pipe from Brazil, Korea, Mexico, and Taiwan pursuant to section 751(c) of the Act. See Initiation of Five-Year (Sunset) Reviews, 70 FR 38101 (July 1, 2005) (Second Initiation). On July 15, 2005, the Department received notices of intent to participate from Allied Tube and Conduit, Copperweld Corporation, IPSCO Tubulars, Leavitt Tube, Maverick Tube Corporation, Northwest Pipe Company, Sharon Tube Company, Western Tube and Conduit, and Wheatland Tube Company (collectively, domestic interested parties), within the deadline specified in section 351.218(d)(1)(i) of the Department's regulations. The domestic interested parties claimed interested party status under section 771(9)(C) of the Act as U.S. producers of the subject merchandise.

On July 29, 2005, we received a complete substantive response to the notice of initiation from the domestic interested parties within the 30-day deadline specified in section 351.218(d)(3)(i) of the Department's regulations. We did not receive any responses from respondent interested parties to this proceeding. As a result, pursuant to section 751(c)(3)(B) of the Act and section 351.218(e)(1)(ii)(C)(2) of the Department's regulations, the Department conducted an expedited sunset review of these antidumping duty orders. On October 25, 2005, the Department received amendments to the

²⁰ For the scope rulings, see Notice of Scope Rulings, 65 FR 49157 (July 7, 2000); Notice of Scope Rulings and Anticircumvention Inquiries, 68 FR 7772 (February 18, 2003); and Notice of Scope Rulings, 70 FR 24533 (May 10, 2005). For the two administrative reviews and the amended final results for the second administrative review, see Circular Welded Non-Alloy Steel Pipe from Mexico: Final Results of Antidumping Duty Administrative Reviews, 65 FR 6136 (February 8, 2000) Circular Welded Non-Alloy Steel Pipe from Mexico: Final Results of Antidumping Duty Administrative Review, 66 FR 21311 (April 30, 2001); and Circular Welded Non-Alloy Steel Pipe from Mexico: Amended Final Results of Antidumping Duty Administrative Review, 66 FR 37454 (July 18, 2001).

²¹ See Circular Welded Non-Alloy Steel Pipe from Mexico: Amended Final Results of Antidumping Duty Administrative Review, 66 FR 37454 (July 18, 2001).

July 29, 2005, substantive responses from the domestic interested parties because Mariuchi American Corporation was erroneously included as one of the domestic interested parties in the substantive responses.

Discussion of the Issues

In accordance with section 751(c)(1) of the Act, the Department has conducted these sunset reviews to determine whether revocation of the antidumping duty orders would likely be likely to lead to continuation or recurrence of dumping. Sections 752(c)(1)(A) and (B) of the Act provide that, in making these determinations, the Department will consider both the weighted-average dumping margins determined in the investigation and subsequent reviews and the volume of imports of the subject merchandise for the period before and the period after the issuance of the antidumping duty order. In addition, section 752(c)(3) of the Act provides that the Department will provide to the ITC the magnitude of the margin of dumping likely to prevail if the orders were revoked. Below we address the comments of the interested parties.

1. Likelihood of Continuation or Recurrence of Dumping

Interested Party Comments

The domestic interested parties argue that revocation of the antidumping duty orders on circular welded carbon steel pipe and tube from India, Taiwan, Thailand, Turkey, and circular welded non-alloy steel pipe from Brazil, Korea, Mexico, and Taiwan would likely lead to the continuation or recurrence of dumping. See Substantive Responses of domestic interested parties (July 29, 2005).

Certain Circular Welded Carbon Steel Pipes and Tubes

India - According to domestic interested parties, the antidumping duties assessed on welded pipes and tubes imports from India continue to protect the U.S. industry from dumping because the imports of welded carbon steel pipes and tubes into the United States are from the companies excluded from the Antidumping Duty Order from India. The domestic interested parties allege this point was confirmed in the first sunset review for circular welded pipes and tubes from India,²² where the Department determined that the dumping margin likely to prevail was 7.08 percent for Tata Iron and Steel Company, Ltd. (TISCO) and all other manufacturers. The domestic interested parties also state that the dumping margins calculated in prior reviews provide further evidence that dumping is likely to continue. The domestic interested parties note that the imports between 2000 and 2004 range from 28,955 to 78,547 short tons, but they also note that these increased exports are due to shipments from Zenith and Gujarat, the two companies that the Department excluded from the Antidumping Duty Order from India. Thus, domestic interested parties conclude that it is reasonable to assume that the revocation of the current order on circular welded pipes and tubes from India would result in continued dumping. See Id. at 6.

²² Final Results of Expedited Sunset Review: Small Diameter Carbon Steel Pipes and Tubes from India, 64 FR 67879 (December 3, 1999) (India Pipes and Tubes Sunset Final Results).

Taiwan (A-583-008) - The domestic interested parties note that in 1983, the year before the antidumping duty order was issued, import volumes of pipe and tube from Taiwan totaled 130,635 short tons. See Substantive Response of domestic interested parties at 4 (July 29, 2005). In this response, the domestic interested parties note the following: in 1984, the year in which the antidumping duty order was imposed, import volumes decreased to 5,216 short tons; in 1985 and 1986, import volumes reached 18,419 short tons and 70,658 short tons; however, in 1987, imports decreased to 5,743 short tons. From 2000 through 2004, import volumes totaled 51,820 short tons, 47,798 short tons, 58,488 short tons, 17,192 short tons, and 38,469 short tons, respectively. The domestic interested parties assert that the imposition of the antidumping order affected shipments of the subject merchandise to the United States; thus, the domestic interested parties argue, under the antidumping duty order, Taiwanese producers cannot maintain pre-order shipment levels.

With regard to weighted-average dumping margins, the domestic interested parties contend that the margins determined in the first sunset review are identical to the margins determined in the investigation: 9.70 percent for Kao Hsing Cheng, 43.70 percent for Tai Feng, 38.50 percent for Yieh Hsing, and 9.70 for “all others.” In addition, in the administrative review following the final results of the first sunset review, a weighted-average dumping margin for Yieh Hsing was established. See Id. at 5.

Thailand - The domestic interested parties contend that the assessment of antidumping duties has had a dramatic effect on the volume of welded pipes and tubes imports from Thailand into the United States. According to domestic interested parties, the pre-order volumes were 50 short tons for 1984, 33,678 short tons for 1985 and 60,863 short tons for 1986.²³ See Substantive Response of domestic interested parties at 4 (July 29, 2005). Imports to the United States have fluctuated since the imposition of the order, which domestic parties state has directly impacted the level of imports from Thailand. Id. In the investigation, the Department calculated antidumping duty margins of 15.69 percent for Saha Thai and 15.60 percent for Thai Pipe Industry Co. Domestic interested parties note that the imports between 2000 and 2004 have ranged from a high of 97,670 short tons to a low of 62,487 short tons. According to domestic parties, given the fact that the producers and exporters of welded pipes and tubes have not been able to sell their subject merchandise in the United States in volumes anywhere near that quantity of subject merchandise sold prior to the publication of the antidumping duty order, the Department should conclude that revocation of the antidumping duty order would remove the discipline the order has imposed on Thai producers and/or exporters, and would result in the continuation or recurrence of dumping. See id. at 4.

Turkey - The domestic interested parties argue that the order has directly impacted the level of imports from Turkey and that Turkish producers could not maintain pre-order levels of imports

²³ The historic data that we reviewed from the U.S. Census Bureau IM-145 Reports show that imports of certain welded carbon steel pipes and tubes from Thailand for 1984 were 50 short tons, for 1985 were 33,679 short tons, for 1986 were 6,084 short tons, and for 1987 were 9,191 short tons.

because of the imposition of the antidumping duty order. See Substantive Response of domestic interested parties at 4 (July 29, 2005). In their Substantive Response, the domestic interested parties state that import levels in 1984, 1985, and 1986, respectively, totaled 2,578 short tons, 36,277 short tons, and 17,814 short tons. Id. Following the imposition of the order, imports fluctuated. Id. Further, between 2000 and 2004, import volumes were 23,704 short tons, 25,409 short tons, 55,025 short tons, 65,782 short tons, and 85,572 short tons, respectively. Id.

With respect to whether dumping continued at any level above *de minimis* after the issuance of the order, the domestic interested parties note that weighted-average dumping margins found in the first sunset review of this order are identical to the margins from the original investigation. Id. Further, since the first sunset review, one administrative review has been completed.²⁴ In that administrative review, the Department found that dumping continued. Id.

Certain Circular Welded Non-Alloy Steel Pipe

Brazil - Domestic interested parties argue that the imposition of antidumping measures in 1992 directly impacted the level of imports from Brazil. In support of this argument, domestic interested parties point out that imports of subject merchandise from Brazil decreased dramatically from 30,748 short tons, 55,705 short tons, and 44,193 short tons in 1989, 1990, and 1991, respectively, to 8,790 short tons, 424 short tons, and 263 short tons in 1992, 1993, and 1994, respectively. According to domestic interested parties, Brazilian producers could not maintain pre-order levels of imports, and add that there were no imports of subject merchandise from Brazil in 2001 or 2002, and only 18 short tons, 442 short tons, and 1,267 short tons were imported from Brazil in 2000, 2003, and 2004, respectively. Domestic interested parties contend that the termination of the antidumping duty order on circular welded pipe from Brazil would likely lead to the recurrence of dumping of Brazilian subject merchandise into the U.S. market, at margins equal to or greater than those found in the original investigation.

Korea - Domestic interested parties argue that the imposition of antidumping measures in 1992 also directly impacted the level of imports from Korea, as evidenced by the drop in imports of subject merchandise from Korea from 295,643 short tons, 302,675 short tons, and 324,704 short tons in 1989, 1990, and 1991, respectively, to 251,604 short tons, 218,493 short tons, and 251,318 short tons in 1992, 1993, and 1994, respectively. According to domestic interested parties, Korean producers could not maintain pre-order levels of imports; moreover, domestic interested parties add that imports of subject merchandise from Korea from 2000 through 2004 were 241,833 short tons, 217,418 short tons, 183,272 short tons, 51,297 short tons, and 47,675 short tons, respectively. Domestic interested parties contend that the termination of the antidumping duty order on circular welded pipe from Korea would likely lead to the recurrence of dumping of Korean merchandise into the U.S. market, at margins equal to or greater than those found in the original investigation.

²⁴ Antidumping Administrative Review: Certain Welded Carbon Steel Pipe and Tube from Turkey, 69 FR 48843 (August 11, 2004). The period of review covered May 1, 2002 to April 30, 2003.

Mexico - Domestic interested parties argue that the imposition of antidumping measures in 1992 also directly impacted Mexico because the level of imports of subject merchandise from Mexico decreased dramatically from 65,294 short tons, 68,828 short tons, and 48,240 short tons in 1989, 1990, and 1991, respectively, to 22,808 short tons, 2,869 short tons, and 6,761 short tons in 1992, 1993, and 1994, respectively. Domestic interested parties further argue that producers could not maintain pre-order levels of imports, and add that imports of subject merchandise from Mexico ranged from 27,168 short tons in 2000 to 59,644 short tons in 2003. According to domestic interested parties, antidumping duties assessed on Mexican circular welded pipe continue to protect the U.S. industry from injury caused by dumped subject merchandise. Domestic interested parties state that the significant decrease in imports of Mexican circular welded pipe indicates a strong likelihood of a recurrence of dumping, at margins equal to or greater than those found in the original investigation, if the antidumping duty order were revoked.

Taiwan (A-583-814) - Domestic interested parties state that the order was imposed on Taiwanese producers and exporters of circular welded pipe in 1992, the level of subject imports from Taiwan decreased dramatically from 47,006 short tons, 56,420 short tons, and 42,455 short tons in 1989, 1990, and 1991, respectively, to 389 short tons in 1992 and zero short tons in 1993. Domestic interested parties argue that Taiwanese producers could not maintain pre-order levels of imports, and add that imports of subject merchandise from Taiwan were as follows: 309 short tons, 1,129 short tons, 120 short tons, 155 short tons, and 2,166 short tons in the years 2000 through 2004, respectively. According to domestic interested parties, antidumping duties assessed on circular welded pipe from Taiwan continue to protect the U.S. industry from dumped subject merchandise. Domestic interested parties state that the significant decrease in imports of Taiwanese circular welded pipe indicates a strong likelihood of a recurrence of dumping, and injury to the domestic industry, if the antidumping duty order were revoked.

Department's Position

Consistent with the guidance provided in the legislative history accompanying the Uruguay Round Agreements Act, specifically the Statement of Administrative Action (SAA), H.R. Doc. No. 103-316, vol. 1 (1994), the House Report, H. Rep. No. 103-826, pt. 1 (1994) (House Report), and the Senate Report, S. Rep. No. 103-412 (1994), the Department's determination of likelihood will be made on an order-wide basis. In addition, the Department normally will determine that revocation of an order is likely to lead to continuation or recurrence of dumping where (a) dumping continued at any level above *de minimis* after the issuance of the order, (b) imports of the subject merchandise ceased after the issuance of the order, or (c) dumping was eliminated after the issuance of an order and import volumes for the subject merchandise declined significantly. Also pursuant to 752(c)(1)(B) of the Act, the Department considered the volume of imports of the subject merchandise for the period before and after the issuance of the antidumping order.

Using import trade statistics from the IM-145 reports from the U.S. Census Bureau, and the ITC Interactive Tariff and Trade Data Web (USITC Data web), the Department compared import volumes for the period before and the period following the imposition of the AD orders, to import

volumes covering the period 2000 through 2004, the years following the first sunset review. See “Memorandum to the File from Jacqueline Arrowsmith, Martha Douthit, and Dena Aliadinov, Case Analysts, Through Abdelali Elouaradia, Program Manager, Regarding the Import Volumes for the Final Results of Expedited Five-Year (Sunset) Reviews of the Antidumping Duty Orders on Certain Circular Welded Carbon Steel Pipes and Tubes from India, Taiwan, Thailand, and Turkey, and Certain Circular Welded Non-Alloy Steel Pipe from Brazil, Republic of Korea (Korea), Mexico, and Taiwan,” dated October 31, 2005 (Import Volumes Memo).

In the first sunset review, the Department made an affirmative likelihood determination for these antidumping duty orders and continued these orders based on the ITC’s affirmative injury determination. See Continuation of Antidumping Duty Orders: Light-Walled Rectangular Welded Carbon Steel Pipe and Tube From Argentina and Taiwan; Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube From India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube From Taiwan, 65 FR 50955 (August 22, 2000) (Continuation Notice). No party challenged these determinations. Collection and assessment of dumping duties on entries of subject merchandise continue. Also, in subsequent administrative reviews of certain orders, the Department has found margins above *de minimis* levels. On the basis of the information on the record, we find that dumping would be likely to continue or recur if the antidumping orders were revoked.

Below is the Department’s analysis for each country:

Certain Circular Welded Carbon Steel Pipes and Tubes

India - With respect to this order, the Department has conducted no administrative reviews during the period of this sunset review. However, the Department determined rates above *de minimis* for all Indian manufacturers and exporters during the first sunset review. (See India Pipes and Tubes Sunset Final Results). Antidumping duties remain in effect and no party has challenged the rates by requesting an administrative review.

Pursuant to section 752(c)(1)(B) of the Act, the Department considered the volume of imports of the subject merchandise for the period before and after the issuance of the antidumping duty order. The evidence shows that imports of subject merchandise have fluctuated since the issuance of the order. Two companies that were excluded from the Antidumping Duty Order from India have continued to export pipes and tubes during this sunset review period. Thus, we are unable to examine shipment data solely for exporters subject to the order.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

With respect to the domestic interested parties' arguments concerning increased imports by excluded companies, we have no basis to address the allegations because domestic interested parties failed to provide any data to support their assertions. Given this fact, we have no basis for evaluating this information and its impact on our determination of the likelihood of continued dumping.

Taiwan (A-583-008) - We agree with the domestic interested parties that import volumes of pipe and tube from Taiwan have declined compared to pre-order levels. See Import Volumes Memo, dated October 31, 2005. The record of this order shows that dumping has continued since the imposition of the antidumping duty order. The SAA states that declining import volumes accompanied by the continued existence of dumping margins after the issuance of the order may provide a strong indication that, absent an order, dumping would be likely to continue because the evidence would indicate that the exporter needs to dump to sell at pre-order volume. See SAA at 890.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Cash deposit rates continue at above *de minimis* levels. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

Thailand - We disagree with domestic interested parties that the producers and exporters of welded pipes and tubes have not been able to sell their subject merchandise in the United States in volumes anywhere near the quantity of subject merchandise sold prior to the publication of the antidumping duty order. Using the U.S. Census Bureau IM-145 Reports, the Department finds that Thai imports of certain circular welded carbon steel pipes and tubes increased from pre-order volumes. Using the USITC's data web, the Department finds that imports have been declining from 97,670 short tons since 2000 – the year the continuation of this antidumping duty order was published – to 65,787 short tons in 2004. During this period, continued dumping at a rate of 9.52 percent was found in the remanded results of the 1995-1996 administrative review of Saha Thai.²⁵

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

Turkey - The Department disagrees with the domestic interested parties that Turkish producers could not maintain pre-order levels of subject imports. Import statistics from the U.S. Census Bureau IM-145 Reports, and the USITC's Data web, indicate that import levels exceed pre-order

²⁵ Certain Welded Carbon Steel Pipes and Tubes from Thailand: Notice of Amended Final Results of Antidumping Duty Administrative Review in Accordance with Final Court Decision, 65 FR 2581 (January 18, 2000).

levels. See Import Volumes Memo, dated October 31, 2005. The SAA states that declining import volumes accompanied by the continued existence of dumping margins after the issuance of the order may provide a strong indication that, absent an order, dumping would be likely to continue, because the evidence would indicate that the exporter needs to dump to sell at pre-order volume. See SAA at 890.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Cash deposit rates continue at above *de minimis* levels. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

Certain Circular Welded Non-Alloy Steel Pipe

Brazil - Using statistics provided by the USITC Data web, the Department finds that imports of circular welded pipe from Brazil have decreased from the pre-order level of 44,194 short tons in 1991 to a range of only zero to 1,428 short tons during this sunset review period, which covers imports from 2000 through 2004.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Cash deposit rates continue at above *de minimis* levels. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

Korea - Using statistics provided by the USITC Data web, the Department finds that imports of circular welded pipe from Korea have steadily decreased from the pre-order level of 324,708 short tons in 1991 to 49,671 short tons in 2004. The administrative reviews show continued dumping at above *de minimis* levels. Thus, dumping continues at above *de minimis* levels and imports are below the pre-order level.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Cash deposit rates continue at above *de minimis* levels. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

Mexico - Using statistics provided by the USITC Data web, the Department finds that, although imports for 2002 through 2004 have reached or exceeded the pre-order level of 48,241 short tons in 1991, import volumes for these years did not reach the pre-initiation level of 68,829 short tons in 1990. Additionally, the Department finds that dumping continues at levels above *de minimis*.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Cash deposit rates continue at above *de minimis* levels. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

Taiwan (A-583-814) - Using statistics provided by the USITC Data web (see Import Volumes Memo, dated October 31, 2005), the Department finds that although the import volumes of circular welded non-alloy pipe from Taiwan for 2000 through 2004 have exceeded the pre-order level of 42,455 short tons in 1991, deposit rates remain above *de minimis*.

In this case, the Department found dumping above *de minimis* levels in the first sunset review. If companies continue to dump with the discipline of an order in place, it is reasonable to assume that dumping would continue if the order were removed. See SAA at 890. Cash deposit rates continue at above *de minimis* levels. Thus, the Department determines that dumping is likely to continue or recur if the order were revoked.

2. Magnitude of the Margin Likely to Prevail

Interested Party Comments

The domestic interested parties suggest that the Department report to the ITC the dumping margins established in the investigations for certain circular welded carbon steel pipes and tubes from Taiwan, Thailand, and Turkey, and certain circular welded non-alloy steel pipe from Brazil, Korea, Mexico, and Taiwan. See Substantive Response of domestic interested parties at 6 (July 29, 2005). These margins were the same as those determined in the First Sunset Review.²⁶

For certain circular welded carbon steel pipes and tubes from India, the domestic interested parties requested that the Department use the margins determined in the 1987-1988 and 1988-1989 administrative reviews as the basis for the margin that is likely to prevail. See Substantive Response of domestic interested parties at 6 (July 29, 2005). Domestic interested parties note that in the 1987-1988 review, we found a margin of 77.32 percent for TISCO and Jindal. In the 1988-1989 review, we found a margin of 87.39 percent for TISCO. The domestic parties also cited the Department's practice of using the margins found in the final determinations of less than fair value investigations in sunset reviews. The domestic parties also referenced the first sunset review which assigned margins of 7.08 percent to TISCO and "all others." Final Results of

²⁶ See Final Results of Expedited Sunset Review: Small Diameter Carbon Steel Pipes and Tubes from India, 64 FR 67879 (December 3, 1999), Final Results of Expedited Sunset Review: Small Diameter Carbon Steel Pipes and Tubes from Taiwan, 64 FR 67873 (December 3, 1999), Final Results of Expedited Sunset Review: Certain Welded Carbon Steel Pipes and Tubes from Thailand, 64 FR 67852 (December 3, 1999), Final Results of Expedited Sunset Review: Certain Welded Carbon Steel Pipes and Tubes from Turkey, 64 FR 67876 (December 3, 1999) and Final Results of Expedited Sunset Reviews: Certain Circular -Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea, Mexico, Taiwan, and Venezuela, 64 FR 67854 (December 3, 1999).

Expedited Sunset Review: Certain welded carbon steel pipes and tubes from India, 64 FR 67879 (December 3, 1999). (Zenith and Gujarat were excluded from the original investigation.)

Department's Position

Section 752 (c)(3) of the Act provides that the Department will report to the ITC the magnitude of the margin of dumping that is likely to prevail if the order were revoked. The Department normally will select a margin from the final determination of the original investigation because that is the only calculated rate that reflects the behavior of exporters without the discipline of an order. See SAA at 890 and the House Report at 64. For companies not specifically investigated or for companies that did not begin shipping until after the order was issued, the Department normally will provide margins based on the “all others” rate from the investigation. Consistent with the SAA, the Department’s preference for selecting a margin from the investigation is based on the fact that it is the only calculated rate that reflects the behavior of manufacturers, producers, and exporters without the discipline of an order in place. SAA at 890.

The Department agrees with the domestic interested parties concerning the dumping margins likely to prevail if the antidumping duty orders on certain welded carbon steel pipes and tubes from Taiwan, Thailand, Turkey, and certain circular welded non-alloy steel pipe from Brazil, Korea, Mexico, and Taiwan were revoked. In the original investigation, the Department found that producers and exporters were selling the subject merchandise in the United States at less than fair value.²⁷ In the antidumping duty orders, the Department established company-specific and “all others” weighted-average margins above *de minimis* levels.

In the final results of the first sunset review, the Department determined that the margins calculated in the original investigation are probative of the behavior of the Taiwanese, Turkish, and Thai producers and exporters of certain circular welded steel pipes and tubes and the Brazilian, Korean, Mexican, and Taiwanese manufacturers of circular welded non-alloy steel pipe without the discipline of the order in place. See Continuation Notice. Since the completion of the first sunset review, the Department continued to find dumping of the subject merchandise through administrative reviews. As in the first sunset review, the Department finds that the margins from the original investigation are probative of the behavior of producers and exporters, without the discipline of the orders in place. Consistent with section 752(c) of the Act, the Department reported to the ITC company-specific and “all others” rates from the investigations as indicated in the “Final Results of Review” section of this memorandum.

India - With respect to the margins reported for certain circular welded pipes and tubes from India in the first sunset review, the Department reported to the ITC 7.08 percent for TISCO and

²⁷ *Supra* note 23.

the “all others” rate.²⁸ Since the first sunset review, the Department has not conducted any administrative reviews of certain circular welded pipes and tubes from India. Because the domestic interested parties have provided no basis for departing from our practice, the Department finds that it is appropriate to provide the ITC with the rate from the investigation for Indian pipes and tubes (and confirmed in the previous sunset review in 1999) because it is the only calculated rate that reflects the behavior of manufacturers, producers and exporters without the discipline of an order in place. Thus, the Department will report to the ITC these same margins as listed in the “Final Results of Review” section.

Final Results of Review

As a result of these reviews, the Department determines that revocation of the antidumping duty orders on certain circular welded steel pipe and tube from India, Taiwan, Thailand, and Turkey, and certain circular welded non-alloy steel pipe from Brazil, Korea, Mexico, and Taiwan, would likely lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

Manufacturers/Exporters/Producers	Weighted-Average Margin (percent)
<u>India</u> (A-533-502)	
Tata Iron and Steel Company, Ltd.	7.08
All Others	7.08
<u>Taiwan</u> (A-583-008)	
Kao Hsing Chang	9.70
Tai Feng	43.70
Yieh Hsing	38.50
All Others	9.70
<u>Thailand</u> (A-549-502)	
Saha Thai Steel Pipe Co.	15.69
Thai Steel Pipe Industry Co.	15.60
All Others	15.67

²⁸ Continuation of Antidumping Duty Orders: Light-Walled Rectangular Welded Carbon Steel Pipe and Tube From Argentina and Taiwan; Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube From India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube From Taiwan, 65 FR 50955 (August 22, 2000).

<u>Turkey</u> (A-489-501)	
Borusan Ithicat ve Dagitim	1.26
Erkboru Profil Sanayi ve Ticaret	23.12
Mannesmann-Sumerbank Boru Industrisi	23.12
All Others	14.74
 <u>Brazil</u> (A-351-809)	
Perisco Pizzamiglio S.A.	103.38
All Others	103.38
 <u>Korea</u> (A-580-809)	
Hyundai Steel Pipe Co., Ltd	6.86
Korea Steel Pipe Co., Ltd	6.21
Masan Steel Tube Works Co., Ltd	11.63
Pusan Steel Pipe Co., Ltd	4.91
All Others	6.37
 <u>Mexico</u> (A-201-805)	
HYLSA, S.A. de C.V.	32.62
All Others	32.62
 <u>Taiwan</u> (A-583-814)	
Kao Hsing Chang Iron and Steel Corp.	19.46
Yieh Hsing Enterprise Co., Ltd.	27.65
All Others	23.56

Recommendation

Based on our analysis of the substantive responses received, we recommend adopting all of the above positions. If these recommendations are accepted, we will publish the final results of this sunset review in the Federal Register.

AGREE _____

DISAGREE _____

Joseph A. Spetrini
Acting Assistant Secretary
for Import Administration

(Date)